BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

| TAT TO TO | May 30 , 2002 | | |
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| IN RE: | | | |
| | | TIES CORPORATION, INC. |) DOCKET NO. |
| FOR TRANSFER OF CERTIFICATE OF PUBLIC | | |) 02-00387 |
| CONVENIE | NCE AND NECES | SSITY (CCN) | |
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ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before the Tennessee Regulatory Authority (the "Authority") at the regularly scheduled Authority Conference held on April 30, 2002 for consideration of the *Petition* of Aqua Utilities Company, Inc. ("Aqua"), pursuant to the provisions of Tenn. Code Ann. § 65-4-113, for approval of a transfer of authority to provide utility services.

Requirement of and Standards for Authority Approval

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain Authority approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113(a) provides as follows:

(a) No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) provides the standards by which the Authority shall consider an application for transfer of authority, in pertinent part, as follows:

(b) Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

The Petition

In the *Petition*, which was filed on April 9, 2002, Aqua requests that the Authority approve a transfer from E. Bernard Blasingame to James E. Clausel of the certificate of public convenience and necessity pursuant to which Aqua provides water services. The *Petition* states that Aqua is a Tennessee Subchapter S corporation with its principal place of business located in Savannah, Tennessee.

The *Petition* further states that Aqua purchases all of its water from the City of Savannah and has no utility plant as such. According to the *Petition*, Aqua's utility billing, collecting, and accounting will be handled by the accounting firm of Williams, Jerrolds, Godwin & Nichols, PLLC.

Findings

The Directors of the Authority considered this matter at the April 30, 2002 Authority Conference. Based upon careful consideration of the *Petition*, the Authority finds and concludes as follows:

- 1. The Authority has jurisdiction over the subject matter of this *Petition* pursuant to Tenn. Code Ann. § 65-4-113;
- 2. Aqua Utilities Company, Inc. been granted authority to provide water services in Tennessee;
- 3. The authority to provide utility services granted to Aqua Utilities Company, Inc. will be transferred from E. Bernard Blasingame to James E. Clausel;
- 4. Approval of the transfer of authority is appropriate pursuant to the provisions of Tenn. Code Ann. § 65-4-113.

IT IS THEREFORE ORDERED THAT:

- 1. The *Petition* of Aqua Utilities Company, Inc. for approval of the transfer of authority described herein is approved; and
- 2. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from and after the date of this Order.

Sara Kyle, Chairman

Melvin J. Malo

H. Lynn Greer, Jr., Director

ATTEST:

K. David Waddell, Executive Secretary